

VMware Enterprise Purchasing Program Guide

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FOR MORE INFORMATION

To find out more about EPP, visit the VMware Purchasing Program page at www.vmware.com/go/purchasenow or contact an authorized VMware partner near you at <http://partnerlocator.vmware.com>.

This Program Guide sets forth the terms and conditions of EPP. VMware reserves the right to modify this Program Guide at any time in its sole discretion, and any such modifications will apply to purchases of EPP Tokens after the effective date of such modification.

At a glance

VMware® Purchasing Programs provide flexible and cost-effective ways to purchase VMware products. Whether you are making smaller, transactional purchases or larger, strategically planned purchases, there is a VMware Purchasing Program to fit your needs.

The Enterprise Purchasing Program (EPP) is a token-based program in which you purchase VMware tokens that can then be redeemed online for licenses and associated production Support and Subscription (SnS).

Program features

EPP offers the transaction velocity associated with smaller volume purchases and the procurement efficiency, cost savings, and deployment flexibility associated with large Enterprise License Agreements (ELAs).

Key EPP features include:

- Self-serve, on-demand generation, and delivery of license keys and support entitlements using the My VMware® customer portal
- Automatic tracking and reporting of tokens used
- Centralized or decentralized management of tokens, allowing you to allocate tokens to different departments, projects, and users¹
- The ability to add tokens to an active EPP Fund at any time

Program benefits

- Flexibility to mix and match VMware products, manage licenses, and adjust your license deployment strategy based on changing business conditions.
- Price protection for the duration of the EPP term. The number of EPP Tokens required to obtain a product license and associated SnS is established at the time of purchase and is fixed for the EPP term.
- Cost savings on SnS because tokens for production SnS are debited only when you redeem licenses². SnS is automatically co-termed to the EPP term.
- Ability to future-proof your purchased tokens because your fund of EPP Tokens is updated continually with products³ that are available at a future date and listed on the EPP Eligibility Matrix.
- Higher discounts than the VMware Volume Purchase Program (VPP).⁴

How to get started

Before acquiring EPP Tokens, you should:

- Calculate demand for EPP Tokens – Use the EPP Configurator to estimate demand for VMware products over the next three years. Each EPP-eligible product and production SnS combination has an associated token value. The Configurator converts the estimated product demand into a suggested number of tokens.

1. For more information about deployment restriction, view the section titled “EPP Token redemption and license deployment restriction.”

2. On a three-year EPP term, if you redeem licenses with two years left on the EPP term, only two years’ worth of SnS tokens will be debited.

3. For more information about futures, view the section titled “Eligible products and futures.”

4. Discounts are calculated off VMware’s then-current, local MSRP prices. VMware does not set final prices or payment terms for licenses acquired through resellers. Final prices and payment terms are determined by agreement between the customer and its reseller.

- Contact an EPP Partner – Work with a VMware authorized EPP partner to purchase the tokens needed to meet the estimated demand. Include the VMware Purchasing Program membership and your My VMware Entitlement Account (EA) numbers on the EPP purchase order.

After purchasing EPP Tokens, you can:

- Log in to My VMware – Explore the EPP pages on My VMware to view and manage purchased EPP Tokens.
- Redeem tokens – On the EPP pages of My VMware, you can redeem tokens for your license and production SnS over the three-year EPP term.
- Review the EPP Program Guide – Your participation is subject to the terms outlined in the EPP Program Guide posted at www.vmware.com/go/purchasenow.

EPP summary

	INITIAL PURCHASE
Minimum deal size of initial purchase	USD \$250,000 MSRP License + SnS (2,500 tokens) or local currency equivalent
Minimum deal size of top-up purchase (requires active initial purchase)	USD \$50,000 MSRP License + SnS (500 tokens) or local currency equivalent
Available products	A broad range of products from the VMware price list, including future releases, as further described below
License grant	As set forth in the EULA accompanying the VMware product, a copy of which is posted at www.vmware.com/download/eula
SnS	Production-level SnS only
SnS co-term	Tokens are redeemed for SnS from the date of redemption for the corresponding product license for the remainder of the EPP term
EPP term	3 years
SnS renewal	Customer may renew SnS for one year after the EPP term at the then-current VMware list price, less any multiyear discount

Basic EPP definitions

EPP Token: A unit of value that can be purchased by an EPP customer and redeemed for VMware licenses and SnS, as specified in the EPP Eligibility Matrix.

Initial EPP Token Order: To participate in EPP, a Fund Owner must purchase a minimum of 2,500 EPP Tokens, which is known as the Initial EPP Token Order. This purchase is conducted by placing an initial token order using the EPP Token SKU.

Fund Owner: An individual who enrolls or is designated by a partner during enrollment and who has authority to purchase, receive, and redeem EPP Tokens in the My VMware portal. The Fund Owner may also transfer EPP Tokens to any named Fund User and may manage multiple EPP Funds.

Fund User: An individual designated by an EPP Fund Owner to receive EPP Tokens through the EPP Token transfer process in the My VMware portal. An EPP Fund User can redeem EPP Tokens using their My VMware portal.

Fund: An online repository of an EPP customer's purchased EPP Tokens. Each initial EPP purchase order generates a unique EPP Fund. Each EPP Fund has a three-year term during which the EPP Fund Owner and Fund User(s) must consume all their EPP Tokens.

Sub-Fund: All funds consist of at least one sub-fund(s) from which EPP Tokens are redeemed.

Active EPP Fund: Each fund that is created has a specific term within which a customer must use all their EPP Tokens. A fund that has not reached its expiration date is considered an Active EPP Fund. A given EPP Fund Owner or User may simultaneously manage and/or redeem from multiple active funds. However, the Fund Owner/User may not aggregate or co-mingle EPP Tokens from different Active EPP Funds to redeem for a single VMware product in EPP.

Expired EPP Fund: Each fund that is created has a specific duration within which a Fund Owner/User must consume all their EPP Tokens. A fund that has reached its expiration date is considered an expired fund regardless of its remaining EPP Token balance. Once a fund has expired, Fund Owners may only be able to download redemption reports against those expired funds and will not be able to redeem any tokens.

EPP Term: The term of EPP is three years unless otherwise indicated. The Fund Owner and Fund Users must redeem purchased EPP Tokens for licenses and SnS during the EPP term, and any EPP Tokens that are not redeemed will expire at the end of the EPP term.

Top-Up Order: An EPP Fund Owner can add EPP Tokens to (or top-up) an Active EPP Fund. These EPP Tokens are added when a Fund Owner places a new purchase order using the EPP Top-Up Token SKU. If the EPP Fund Owner is simultaneously managing more than one active EPP Fund, these new EPP Tokens will be added to the fund with the furthest termination of EPP term. The minimum quantity for a top-up order is 500 EPP Tokens.

My VMware: My VMware is an integrated, account-based portal where customers can view and manage product licenses, get support, and redeem EPP Tokens through intuitive step-by-step screens for faster access to critical functions.

EPP Eligibility Matrix: Purchased EPP Tokens can be redeemed online for VMware licenses and associated SnS. The EPP Eligibility Matrix represents a subset of generally available VMware products against which EPP Tokens can be redeemed. The EPP Eligibility Matrix will be updated monthly where new products may be added and discontinued products removed. The EPP Eligibility Matrix can be found at www.vmware.com/go/purchasenow.

Initial purchase

EPP Fund Owners can obtain EPP Tokens by issuing a purchase order to VMware with the EPP Token SKU. A single unit of the EPP Token SKU represents one EPP Token. An initial EPP order requires a minimum of 2,500 tokens, which corresponds to approximately a USD \$250,000 MSRP spend level or equivalent in local currency. The minimum for each top-up order is 500 tokens.

The EPP SKU can be ordered in multiple quantities to accommodate the customer's specific needs and budget.

For example:

- An EPP Fund Owner who has requirements for VMware products in the amount of USD \$300,000 MSRP in VMware software will submit a PO worth 3,000 units of the EPP Token SKU for a total of 3,000 EPP Tokens (1 x 3,000 = 3,000 EPP Tokens).

After the EPP PO is booked, the My VMware portal will be automatically populated with the appropriate EPP Tokens (as referenced on the PO) on the EPP Fund Details page. The Fund Owner will receive an email providing instructions on how to log in to My VMware to manage/redeem purchased tokens.

Eligible products and futures

Fund Owners/Users may redeem EPP Tokens for a broad range of VMware products. For a full list of VMware products eligible for EPP Token redemption, please refer to the EPP Eligibility Matrix.

In addition, VMware will continue to add to the list of eligible products during a customer's EPP term as or soon after such products become generally available. These future additions to the list of eligible products include:

- Any VMware products that are made generally available and included on VMware's then-current price book after the start of the customer's EPP term
- Any products that are listed on the EPP Redemption Configurator or Eligibility Matrix

Generally, products that are excluded from future eligibility for EPP redemption include:

- Any hosted services, including software as a service (SaaS), infrastructure as a service (IaaS), platform as a service (PaaS), or other cloud-based services that are not on-premises software applications
- Any products that are subject to third-party restrictions that prohibit distribution in EPP
- Any products released by a non-VMware entity or otherwise acquired by VMware by merger, acquisition, or asset purchase
- Any product that VMware specifically designates as not being EPP eligible
- Any products excluded from EPP as required by law

Please note that a customer can only redeem EPP Tokens for such additional products from an active fund.

Upgrades

Edition upgrade SKUs may be eligible for redemption in EPP. The Fund Owner/User may upgrade any VMware licenses in the Fund Owner/User's existing software install base to a different edition of the same product, regardless of whether or not the base license was purchased in EPP (for example, VMware vSphere® Enterprise can be upgraded to vSphere Enterprise Plus). The number of tokens required for an upgrade includes a component for the upgrade license plus additional tokens for the corresponding SnS for the upgraded product, less any credits for unused SnS on the base license, if applicable. In order to upgrade a license in the customer's existing software install base, all the following criteria must be met:

- The base license(s) must all be in the same account that matches the account where the EPP Fund is located. Base licenses that are located in different accounts cannot be upgraded using EPP Tokens even if the Fund Owner/User is the same.
- The Fund Owner/User must have upgrade permission for that base.
- The base licenses were not purchased or renewed under an Enterprise License Agreement with VMware or a VMware authorized reseller.
- The upgrade and destination license must be listed on the most current EPP Eligibility Matrix as posted on www.vmware.com/go/purchasenow.
- The base license must be covered by an active support services contract.

End-of-life products

Periodically, certain VMware products will be designated by VMware for end of life (EOL). EOL means that such products will no longer be available for sale on VMware's published price lists, and they will no longer be available for redemption in EPP. Customers may redeem EPP Tokens for EOL products in advance of the EOL date set by VMware. Please note that while a product may be subject to EOL, VMware may continue to support existing deployments of such product in accordance with the support policies posted at <https://www.vmware.com/support/policies.html>.

Token redemption

To redeem EPP Tokens, a Fund Owner/User will log in to My VMware, go to the EPP Page, chose "Redeem tokens" from the "I want to" drop down, select a fund and sub-fund, and specify the desired quantity of product licenses. Customers are required to redeem EPP Tokens at the same time for production-level SnS for the redeemed products where applicable. The number of tokens required for production-level SnS will be automatically added to the customer's redemption order. Once the customer places a redemption order, the customer's token balance will be decremented by a value equal to that redemption.

After VMware processes the redemption, VMware will provide the customer with license keys, and support entitlement will be delivered to the customer's My VMware entitlement account specified on the token order PO.

The customer's right to use each redeemed VMware product is subject to the terms of the EULA accompanying each product, a copy of which is posted at www.vmware.com/download/eula, and all SnS obtained under EPP is subject to VMware's SnS terms posted at <https://www.vmware.com/support/policies.html>.

An EPP customer may, at the same time, be both a Fund Owner for one set of funds and a Fund User for a different set of funds. Prior to redeeming any EPP Tokens, the Fund Owner/User must select a fund and then a sub-fund, and then redeem their EPP Tokens. For example:

- Fund Owner 3 and Fund Owner 4 both work for CompanyXYZ.
- Fund Owner 3 purchases 2,500 EPP Tokens, and Fund Owner 4 purchases 3,000 EPP tokens.
 - Upon logging into the My VMware portal, Fund Owner 3 sees 2,500 EPP Tokens to redeem, and Fund Owner 4 sees 3,000 EPP Tokens.
- Fund Owner 3 may choose to transfer 500 of their tokens to Fund Owner 4.
 - When Fund Owner 3 logs in to the My VMware portal, they will see 2,500 EPP Tokens, but they can only redeem 2,000 EPP Tokens.
 - When Fund Owner 4 logs in to the My VMware portal, they will see two sets of tokens from which they can redeem: their original purchase of 3,000 (as the Fund Owner) and the 500 transferred tokens (as the Fund User).
 - Fund Owner 4 cannot add the two funds together. When they decide to redeem tokens, they must first select which fund and sub-fund from which to redeem and conduct redemptions as described above.

Program rules

Roles and responsibilities

RESPONSIBILITY	FUND OWNER	FUND USER
Manage tokens	•	
Manage users	•	
Manage partners	•	
Redeem tokens across sub-funds	•	•
Redeem tokens allocated by Fund Owner	•	•
Download redemption reports	•	•

EPP levels

There are four EPP levels available based on the quantity of EPP Tokens purchased. As illustrated in the following table, Level 7 (L7) represents the entry-level EPP discount, with Level 10 (L10) representing the highest EPP level. Each level also represents a higher discount than the previous level.

LEVEL	TOKEN RANGE
L7	2,500 to 3,499
L8	3,500 to 4,499
L9	4,500 to 5,999
L10	6,000+

VMware does not set final prices or payment terms for licenses acquired through its resellers. Final prices and payment terms are determined by agreement between the customer and their reseller. VMware is not responsible if a reseller chooses not to pass on the EPP discount.

To realize the full benefits of the program, an EPP Fund Owner should work with their reselling partner to ensure that their VMware Purchasing Program membership number and Fund Owner email address are included on the customer's EPP purchase order.

An EPP Fund Owner may purchase multiple EPP Initial Token SKUs. EPP levels on initial tokens are determined by the quantity of tokens associated with that purchase. Therefore, it is possible that a Fund Owner may simultaneously manage multiple funds that were purchased at different EPP levels.

For example:

- A Fund Owner may purchase 3,000 Initial EPP Tokens at L7 and, one week later, may make another 5,000 Initial EPP Token purchase at L9. In other words, the customer's EPP level is not based on the customer's cumulative purchase of EPP Tokens between the customer's funds.

EPP Token management on My VMware

EPP Fund Owners and Fund Users (if any) will log in to My VMware to view the newly created EPP Fund on the EPP Fund Details page and to redeem EPP Tokens for VMware licenses and SnS. The fund is pre-loaded with the number of EPP Tokens purchased and will be decremented each time an EPP Fund Owner/User redeems tokens for license(s) and SnS. Consistent with the production SnS offerings accompanying licenses, SnS is considered maintenance as a product when purchased with the EPP Tokens.

EPP Token redemption and license deployment restriction

Unless expressly approved otherwise by VMware, EPP Fund Owners/Users may only use their licenses in the country where they were invoiced for the EPP Tokens used to acquire such licenses. However, if an EPP customer has been invoiced within any of the European Economic Area member states, such customer may use the corresponding EPP Tokens throughout the European Economic Area.

Renewals

For any product licenses obtained under EPP, the customer may renew SnS after the EPP term at the then-current VMware list price, less any multiyear discount.

Reporting requirements

The EPP Fund Details page on My VMware features robust reporting that will indicate the SKU, quantity redeemed, number of EPP Tokens decremented on an order, and date of redemption order. These reports can be downloaded by Fund Owners and Fund Users. A Fund User can only access details associated with redemptions that they conducted, whereas a Fund Owner can view details about all redemptions associated with a fund. A Fund Owner is not required to report on actual deployment of licenses in their environment unless otherwise requested as part of an audit.

Channel

VMware's channel partners must be approved in advance by VMware to sell EPP Tokens to customers.

Affiliates

Fund Owners may not share or transfer EPP Tokens to its affiliates, and affiliates of the same organization cannot aggregate funds to purchase EPP Tokens as a single entity.

Policies

Pricing/token value

The EPP page on My VMware will reflect the quantity of tokens purchased on the EPP Token Order. The token values for the underlying products will be fixed as of the date of the customer token order being booked by VMware and will remain the same throughout the EPP term. Token values for the underlying products are the same globally. For a complete list of the then-current token values for the underlying products, please refer to the [EPP Eligibility Matrix](#).

For example, on January 1, 2013, the token value of one license of VMware vSphere Enterprise Plus is 34.95. Any initial token order placed on January 1, 2013, regardless of potential price changes to the aforementioned product, will hold a value of 34.95 tokens for one license of VMware vSphere Enterprise Plus for the duration of the EPP term.

Any top-ups purchased against that initial token order that have an active EPP term will also be subject to the same fixed token values for the underlying products as the initial token order. Token values are rounded to two decimal places.

Multiple EPP Funds/contracts for a single customer

An EPP Fund Owner is permitted to own and manage multiple active EPP Funds at the same time. However, EPP Fund Owners/Users cannot:

- Redeem licenses across multiple funds and sub-funds at the same time
- Transfer tokens between two different funds, even if those are within the same EA
- Use licenses in countries other than the country where invoiced except the European Union where licenses may be used in any of the member states

Returns and exchanges

Customers are not permitted to return or exchange redeemed products. Once tokens are used for a specific product, they are considered redeemed, and the product may not be returned.

Redemption errors

VMware is not responsible for any customer redemption errors, such as the selection of incorrect license quantities or incorrect SKUs.

End of EPP term

Fund Owners and Fund Users must redeem all tokens for licenses and SnS before the end of the term. Any tokens that are remaining in the EPP page of My VMware after the contract end date will expire.



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